

## Electric Industry Restructuring in Connecticut

Updated 4/1/02

Connecticut implemented customer choice of electricity supplier starting in 2000, pursuant to the Connecticut Electric Restructuring Act (Substitute House Bill No. 5005, Public Act No. 98-28) and a series of orders from the Connecticut Department of Public Utility Control (“CT DPUC”).

**Customer choice:** Customer choice of generation supplier began January 1, 2000 for customers located in 25 “distressed municipalities.” Choice was extended to all customers on July 1, 2000.

**Standard Offer:** From January 1, 2000 through January 1, 2004, distribution companies must provide a Standard Offer rate for customers who are not being served by a competitive supplier. In Connecticut, the generation component of the Standard Offer is known as the “Generation Services Charge” (“GSC”). The GSC rates are as follows:

### Connecticut GSC Rates

#### Connecticut Light and Power

Rate Class	GSC Rates (¢/kWh)
Residential	5.6
Res. Elec. Heat	4.9
Res. Time of Day	4.9
Small C&I	4.8
Intermediate C&I General Service	4.5
Intermediate C&I Time of Day	4.5
Large C&I Time of Day	4.4

#### United Illuminating

Rate Class	GSC Rates (¢/kWh)
Residential	5.0
Residential Off-Peak	4.3
Residential Time of Use	4.3
Residential Heat Pump	4.0
General Service Non-Demand	4.5
General Service Demand	4.5
General Service Heating	4.2
General Service Time of Use	4.2
Large Time of Use	4.0

**Savings:** Starting January 1, 2000, customers receiving Standard Offer service pay a total rate that is at least 10% lower than December 31, 1996 rates. The 10% discount applies to the total rate, not just the generation portion.

**Stranded Costs:** Utilities will be able to recover stranded costs after full mitigation. In order to be eligible for stranded cost recovery, utilities were required to divest their generation assets by putting them up for auction. Generation affiliates of the distribution companies were permitted to bid in the auction.

**Metering and billing:** Connecticut has only one billing option: a combined bill from the utility; competitive suppliers may not send their own bills. Metering is not competitive in the state; only the utility can provide metering services.

**Energy efficiency:** Funding for energy efficiency programs is set at 0.3 cents/kWh. This produces approximately \$87 million in annual funding.

**Renewable energy:** The legislation creates a Renewable Energy Investment Fund to be administered by Connecticut Innovations, Inc., a quasi-public agency. The fund is to be funded by a charge of at least 0.05 cents/kWh for the period Jan. 1, 2000 to June 30, 2002; at least 0.075 cents/kWh for the period July 1, 2002 to June 30, 2004; and 0.1 cents/kWh from July 1, 2004 onwards.

**Municipal utilities:** Municipal utilities are exempt from mandatory competition unless they choose to sell power outside their boundaries.

#### **Connecticut Investor-Owned Electric Utilities**

<b>Utility</b>	<b>No. of Customers</b>	<b>Web Site</b>
Connecticut Light and Power	1,100,000	<a href="http://www.cl-p.com">www.cl-p.com</a>
United Illuminating	314,000	<a href="http://www.uinet.com">www.uinet.com</a>

#### **More Information**

For more information, please contact:

#### **Connecticut Department of Public Utility Control**

10 Franklin Square  
New Britain, CT 06051  
P: 860-827-1553

Website: [www.state.ct.us/dpuc](http://www.state.ct.us/dpuc)

The website contains a list of licensed suppliers and aggregators, the restructuring act, a summary of the act, and the CT DPUC's rules and orders regarding electric restructuring.

#### **Consumer Education Program**

P: 888-922-DPUC  
Website: [www.dpuc-electric-choice.com](http://www.dpuc-electric-choice.com)

The website contains an on-line consumer guide to restructuring.

**Connecticut Clean Energy Fund**

999 West Street

Rocky Hill, CT 06067

P: 860-563-0015

Website: [www.ctcleanenergy.com](http://www.ctcleanenergy.com)

The website contains information about the Connecticut Clean Energy Fund